REMARKS

Claims 2 and 7 have been canceled. Claims 3-5, 8, and 9, and amended claims 1 and 6 are in this application.

The drawings were objected to "as failing to comply with 37 CFR 1.84(p)(5) because they do not include the following reference character mentioned in the description: Fig. 6, reference numerals 21, 23, 25 and 26; Fig. 7, reference numerals 32 and 34; Fig. 9 reference numeral 46 are not mentioned in the specification."

The present application as amended herein is believed to overcome the above objections to the drawings. Accordingly, it is respectfully requested that the above objections to the drawings be withdrawn.

Claims 1, 2, 4-7, and 9 were rejected under 35 U.S.C. 102(e) as being anticipated by Ro (U.S. PGPUB 2002/0150123).

Amended independent claim 1 now recites in part the following:

> "monitoring means for monitoring a state of the network, and for generating a stop command and supplying the stop command to the multiplexing means when the state of the network is undesirable,
>
> in which the encoding means stops an encoding process when an area occupied by data in the storage means is larger than a predetermined value, and performs the encoding process when the area occupied by the data in the storage means is smaller than the predetermined value,
>
> in which the multiplexing means stops multiplexing in response to the stop command, and

in which, **when the multiplexing means stops multiplexing in response to the stop command, the encoding means continues the encoding process until the area occupied by data in the storage means is larger than a predetermined value**." (Emphasis added.)

As best understood, in explaining the above 102 rejection, the Examiner appears to assert that paragraphs 46-49 of Ro teaches the encoding means, the multiplexing means, and the monitoring means of claim 1. It is respectfully submitted that such portions of Ro do not appear to disclose the above-identified feature of claim 1. Accordingly, it is respectfully submitted that claim 1 is distinguishable from Ro as applied by the Examiner.

For reasons similar to those previously described with regard to claim 1, it is also respectfully submitted that amended independent claim 6 is also distinguishable from Ro as applied by the Examiner.

Claims 2, 4, 5, 7, and 9 are dependent from one of independent claims 1 and 6. Accordingly, it is also respectfully submitted that dependent claims 2, 4, 5, 7, and 9 are distinguishable from Ro as applied by the Examiner for at least the reasons previously described.

Claims 3 and 8 were rejected under 35 U.S.C. 103(a) as being unpatentable over RO in view of Terao et al. (U.S. Patent No. 7,187,844).

Claims 3 and 8 are dependent from one of independent claims 1 and 6. Accordingly, it is also respectfully submitted that dependent claims 3 and 8 are distinguishable from Ro as applied by the Examiner for at least the reasons previously described. The Examiner does not appear to rely on Terao to overcome the above-described deficiencies of Ro. Accordingly,
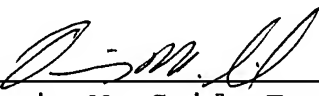
it is respectfully submitted that claims 3 and 8 are distinguishable from the applied combination of Ro and Terao.

As it is believed that all of the objections and rejections set forth in the Official Action have been overcome, favorable reconsideration and allowance are earnestly solicited. If, however, for any reason the Examiner does not believe that such action can be taken at this time, it is respectfully requested that the Examiner telephone applicants' attorney at (908) 654-5000 in order to overcome any additional objections and/or rejections which the Examiner might have.

If there are any additional charges in connection with this requested amendment, the Examiner is authorized to charge Deposit Account No. 12-1095 therefor.

Dated: April 28, 2008   Respectfully submitted,

By _____
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